

**OKEECHOBEE COUNTY
DISTRICT SCHOOL BOARD**

INTERNAL FUNDS FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2021

OKEECHOBEE COUNTY DISTRICT SCHOOL BOARD
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Wicks, Brown, Williams & Co., CPA's LLP

504 Northwest Fifth Avenue, Okeechobee, Florida 34972-2570
(863) 763-2354 • Fax: (863) 467-4519

Charles F. Wicks, C.P.A. (1911 - 1996)
J. Richard Brown, C.P.A. (1940 - 1997)
W. Bruce Stratton, C.P.A., Retired
Cheryl M. Williams, C.P.A., P.A.
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Charles P. Cox, C.P.A., P.A.

April D. Harris, C.P.A.

Lake Placid
(863) 699-5544

Sebring
(863) 382-1157

INDEPENDENT AUDITOR'S REPORT

Okeechobee County District School Board
Okeechobee, Florida

Report on the Financial Statements

We have audited the accompanying combined statement of cash receipts, disbursements, transfers, and balances - internal funds of the Okeechobee County District School Board for the year ended June 30, 2021, and the related notes to the financial statement, which collectively comprise the Okeechobee County District School Board's internal funds basic financial statement as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the School Board, as well as evaluating the overall presentation of the financial statement.

Okeechobee County District School Board (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the cash receipts, disbursements, transfers and balances - internal funds of the Okeechobee County District School Board for the year ended June 30, 2021, in accordance with the cash basis of accounting described in Note 1.

Other Matters

Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.


Emphasis of Matter

As discussed in Note 1, the financial statement presents only the internal funds and is not intended to present fairly the financial position and results of operations of the Okeechobee County District School Board, in conformity with accounting principles generally accepted in the United States of America.

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined statement of cash receipts, disbursements, transfers, and balances - internal funds taken as a whole. The combining statements of cash receipts, disbursements, transfers and balances - internal funds, as listed in the table of contents under supplemental schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statement.

The combining statements of cash receipts, disbursements, transfers, and balances – internal funds, as listed in the table of contents under supplemental schedules, are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the combined statement of cash receipts, disbursements, transfers, and balances – internal funds. Such information has been subjected to the auditing procedures applied in the audit of the combined statement of cash receipts, disbursements, transfers and balances - internal funds, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the internal funds financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements of cash receipts, disbursements, transfers, and balances – internal funds are fairly stated in all material respects in relation to the combined internal funds financial statement taken as a whole.


Wicks, Brown, Williams & Co., CPA's LLP
Certified Public Accountants
Okeechobee, Florida

January 6, 2022

OKEECHOBEE COUNTY DISTRICT SCHOOL BOARD
COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
TRANSFERS, AND BALANCES – INTERNAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

CASH - JULY 1, 2020	\$ 582,218
RECEIPTS:	
Athletics	184,542
Music	34,670
Class, club, departments	320,436
Trust funds	55,803
General	125,623
Total receipts	721,074
DISBURSEMENTS:	
Athletics	158,387
Music	18,005
Class, club, departments	314,586
Trust funds	62,056
General	120,603
Total disbursements	673,637
TRANSFERS IN (OUT):	
Athletics	850
Music	-
Class, club, departments	1,584
Trust funds	(103)
General	(2,331)
Total transfers	-
CASH - JUNE 30, 2021	\$ 629,655
CASH CONSISTING OF:	
Checking accounts	\$ 280,032
Savings accounts	349,623
Total	\$ 629,655

The notes to the financial statements are an integral part of this statement.

OKEECHOBEE COUNTY DISTRICT SCHOOL BOARD
NOTES TO THE FINANCIAL STATEMENT
JUNE 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation:

The internal funds of the Okeechobee County District School Board (“District”) are comprised of nine individual funds. There is one fund for each of the five elementary schools, two middle schools, and two high schools. For reporting purposes Okeechobee Achievement Academy is considered to be a high school. This financial statement presents only the internal funds and is not intended to present fairly the financial position and results of operations of Okeechobee County District School Board in conformity with accounting principles generally accepted in the United States of America. The internal funds are included in the District’s annual financial report as fiduciary funds.

Basis of Accounting:

It is the policy of the District to account for the internal funds of the schools on a cash basis of accounting. Accordingly, the internal funds increase when cash receipts are recorded, and decrease when cash disbursements are recorded. Noncash transactions are not recognized.

Cash:

Cash is defined to include cash funds on hand and demand deposits.

Inventories:

Inventories of school stores and FFA livestock are recognized as expenditures when initially purchased by the schools; therefore, cash disbursements include amounts expended for inventories.

Fixed Assets:

Any fixed assets purchased from the internal accounts are recorded as expenditures and capitalized as additions in the District’s government-wide Statement of Net Position.

NOTE 2 – DEPOSITS AND INVESTMENTS:

District policies require that all internal funds be deposited into qualified public depositories approved by the District. Custodial Credit Risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. At year end, all deposits were entirely insured by federal depository insurance or guaranteed by qualified public depositories in Florida pursuant to chapter 280.07, Florida Statutes.

OKEECHOBEE COUNTY DISTRICT SCHOOL BOARD
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
TRANSFERS, AND BALANCES – INTERNAL FUNDS
ALL SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2021

	Elementary Schools	Middle Schools	High Schools	Total
CASH - JULY 1, 2020	\$ 128,542	\$ 110,440	\$ 343,236	\$ 582,218
RECEIPTS:				
Athletics	-	16,502	168,040	184,542
Music	-	12,096	22,574	34,670
Class, club, departments	95,120	51,449	173,867	320,436
Trust funds	29,574	16,130	10,099	55,803
General	76,179	14,103	35,341	125,623
Total receipts	<u>200,873</u>	<u>110,280</u>	<u>409,921</u>	<u>721,074</u>
DISBURSEMENTS:				
Athletics	-	13,979	144,408	158,387
Music	-	9,856	8,149	18,005
Class, club, departments	95,466	44,287	174,833	314,586
Trust funds	35,799	16,655	9,602	62,056
General	86,300	15,971	18,332	120,603
Total disbursements	<u>217,565</u>	<u>100,748</u>	<u>355,324</u>	<u>673,637</u>
TRANSFERS IN (OUT):				
Athletics	-	-	850	850
Music	-	-	-	-
Class, club, departments	306	-	1,278	1,584
Trust funds	(103)	-	-	(103)
General	(203)	-	(2,128)	(2,331)
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH - JUNE 30, 2021	<u>\$ 111,850</u>	<u>\$ 119,972</u>	<u>\$ 397,833</u>	<u>\$ 629,655</u>
CASH CONSISTING OF:				
Checking accounts	\$ 111,850	\$ 76,093	\$ 92,089	\$ 280,032
Savings accounts	-	43,879	305,744	349,623
Total	<u>\$ 111,850</u>	<u>\$ 119,972</u>	<u>\$ 397,833</u>	<u>\$ 629,655</u>

See independent auditor's report.

OKEECHOBEE COUNTY DISTRICT SCHOOL BOARD
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
TRANSFERS, AND BALANCES – INTERNAL FUNDS
ELEMENTARY SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2021

	Central	Everglades	North	Seminole	South	Total
CASH - JULY 1, 2020	\$ 31,453	\$ 16,985	\$ 39,219	\$ 26,871	\$ 14,014	\$ 128,542
RECEIPTS:						
Athletics	-	-	-	-	-	-
Music	-	-	-	-	-	-
Class, club, departments	19,382	21,613	8,094	1,248	44,783	95,120
Trust funds	5,455	9,137	1,000	3,518	10,464	29,574
General	22,576	27,169	6,904	5,085	14,445	76,179
Total receipts	47,413	57,919	15,998	9,851	69,692	200,873
DISBURSEMENTS:						
Athletics	-	-	-	-	-	-
Music	-	-	-	-	-	-
Class, club, departments	17,517	22,923	4,922	2,398	47,706	95,466
Trust funds	7,002	9,075	991	7,984	10,747	35,799
General	20,162	32,774	12,294	6,341	14,729	86,300
Total disbursements	44,681	64,772	18,207	16,723	73,182	217,565
TRANSFERS IN (OUT):						
Athletics	-	-	-	-	-	-
Music	-	-	-	-	-	-
Class, club, departments	-	421	-	-	(115)	306
Trust funds	-	(103)	-	-	-	(103)
General	-	(318)	-	-	115	(203)
Total transfers	-	-	-	-	-	-
CASH - JUNE 30, 2021	\$ 34,185	\$ 10,132	\$ 37,010	\$ 19,999	\$ 10,524	\$ 111,850
CASH CONSISTING OF:						
Checking accounts	\$ 34,185	\$ 10,132	\$ 37,010	\$ 19,999	\$ 10,524	\$ 111,850
Total	\$ 34,185	\$ 10,132	\$ 37,010	\$ 19,999	\$ 10,524	\$ 111,850

See independent auditor's report.

OKEECHOBEE COUNTY DISTRICT SCHOOL BOARD
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
TRANSFERS, AND BALANCES – INTERNAL FUNDS
MIDDLE SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2021

	Osceola	Yearling	Total
CASH - JULY 1, 2020	\$ 63,182	\$ 47,258	\$ 110,440
RECEIPTS:			
Athletics	-	16,502	16,502
Music	6,712	5,384	12,096
Class, club, departments	28,796	22,653	51,449
Trust funds	15,216	914	16,130
General	938	13,165	14,103
Total receipts	51,662	58,618	110,280
DISBURSEMENTS:			
Athletics	2,046	11,933	13,979
Music	6,037	3,819	9,856
Class, club, departments	29,424	14,863	44,287
Trust funds	15,892	763	16,655
General	437	15,534	15,971
Total disbursements	53,836	46,912	100,748
TRANSFERS IN (OUT):			
Athletics	-	-	-
Music	-	-	-
Class, club, departments	-	-	-
Trust funds	-	-	-
General	-	-	-
Total transfers	-	-	-
CASH - JUNE 30, 2021	\$ 61,008	\$ 58,964	\$ 119,972
CASH CONSISTING OF:			
Checking accounts	\$ 61,008	\$ 15,085	\$ 76,093
Savings accounts	-	43,879	43,879
Total	\$ 61,008	\$ 58,964	\$ 119,972

See independent auditor's report.

OKEECHOBEE COUNTY DISTRICT SCHOOL BOARD
COMBINING STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,
TRANSFERS, AND BALANCES – INTERNAL FUNDS
HIGH SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2021

	Okeechobee		
	Achievement Academy	Okeechobee High School	Total
CASH - JULY 1, 2020	\$ 1,434	\$ 341,802	\$ 343,236
RECEIPTS:			
Athletics	-	168,040	168,040
Music	-	22,574	22,574
Class, club, departments	3,257	170,610	173,867
Trust funds	7,715	2,384	10,099
General	549	34,792	35,341
Total receipts	<u>11,521</u>	<u>398,400</u>	<u>409,921</u>
DISBURSEMENTS:			
Athletics	-	144,408	144,408
Music	-	8,149	8,149
Class, club, departments	2,608	172,225	174,833
Trust funds	7,498	2,104	9,602
General	-	18,332	18,332
Total disbursements	<u>10,106</u>	<u>345,218</u>	<u>355,324</u>
TRANSFERS IN (OUT):			
Athletics	-	850	850
Music	-	-	-
Class, club, departments	-	1,278	1,278
Trust funds	-	-	-
General	-	(2,128)	(2,128)
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>
CASH - JUNE 30, 2021	<u>\$ 2,849</u>	<u>\$ 394,984</u>	<u>\$ 397,833</u>
CASH CONSISTING OF:			
Checking accounts	\$ 2,849	\$ 89,240	\$ 92,089
Savings accounts	-	305,744	305,744
Total	<u>\$ 2,849</u>	<u>\$ 394,984</u>	<u>\$ 397,833</u>

See independent auditor's report.

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Sebring
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COMMUNICATION OF NO MATERIAL WEAKNESSES

Okeechobee County District School Board
Okeechobee, Florida

In planning and performing our audit of the combined statement of cash receipts, disbursements, transfers, and balances – internal funds of the Okeechobee County District School Board for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered each school's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statement, but not for the purpose of expressing an opinion on the effectiveness of each school's internal control. Accordingly, we do not express an opinion on the effectiveness of each school's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of the School Board, management, others within the organization, and the Auditor General of the State of Florida and is not intended to be and should not be used by anyone other than these specified parties.

Wicks Brown Williams Co.

Wicks, Brown, Williams & Co., CPA'S LLP
Certified Public Accountants
Okeechobee, Florida

January 6, 2022

Wicks, Brown, Williams & Co., CPA's LLP

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MANAGEMENT LETTER

Okeechobee County District School Board
Okeechobee, Florida

In planning and performing our audit of the combined statement of cash receipts, disbursements, transfers, and balances – internal funds of the Okeechobee County District School Board for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered each school's internal control over internal funds (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the internal funds' internal control. Accordingly, we do not express an opinion on the effectiveness of the internal funds' internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and matters that are opportunities for strengthening internal controls and operating efficiency. The following paragraphs summarize our comments and suggestions regarding those matters. This letter does not affect our report dated January 6, 2022, on the combined statement of cash receipts, disbursements, transfers, and balances-internal funds of the Okeechobee County District School Board.

CENTRAL ELEMENTARY SCHOOL

2021-001, Payments Made in Excess of Available Funds

Condition: We noted that seven accounts had negative account balances that ranged from \$2 to \$442 at the end of the year.

Criteria or specific requirement: Chapter 8, Section I, 12 of the Red Book, states, "Purchases from internal accounts shall not exceed the resources of the applicable student activity/project account, except for items acquired for resale or items authorized by district school board rules."

Effect: Purchases are being made when there are not enough available resources to pay for the purchase, resulting in certain internal fund accounts having negative balances and, therefore, borrowing from accounts with positive balances.

Cause: These accounts were not balanced because the individual responsible for balancing the accounts failed to transfer the funds prior to her leaving her position.

CENTRAL ELEMENTARY SCHOOL (continued)

2021-001, Payments Made in Excess of Available Funds (continued)

Recommendation: We recommend the teacher/sponsor review the account balance to confirm sufficient funds are available prior to making any purchases.

Views of Responsible Officials: Central Elementary School agrees with the finding. Procedures will be in place for the principal to be notified of the balance in the account prior to approving any purchases. There will be no accounts in the negative at the end of the school year.

2021-002, Activity Reports

Condition: Our audit procedures noted three instances where student activity operating reports were not completed by the sponsor at the conclusion of the fundraiser or event.

Criteria or specific requirement: The Financial and Program Cost Accounting for Florida Schools (“Red Book”), Chapter 8, Section III, (e) states “A financial report shall be filed with the principal’s office at the close of each fundraising activity.”

Effect: When activity reports are not completed, the misappropriation of assets would not be discovered or discovered in a timely manner.

Cause: The bookkeeper was responsible for making sure sponsors completed all activity reports at the end of each event. Due to turnover in the bookkeeping position, three reports were not completed.

Recommendation: When there is turnover in the bookkeeper position it should be communicated that it is the responsibility of the bookkeeper to ensure the timely completion of student activity operating reports by sponsors for fundraisers and events. Also, someone should be designated to ensure the timely completion of student activity operating reports by sponsors for fundraisers and events when there is a vacancy in the bookkeeper position.

Views of Responsible Officials: Central Elementary School agrees with the finding. Procedures are in place to assure that there will be no reoccurrence in 2021-2022. Any fundraiser that has a profit and loss will have a final student activity operating report prepared at the conclusion of the event. The principal will check the activity reports monthly to ensure they are completed in a timely fashion.

2021-003, Timeliness of Bank Reconciliations

Condition: Our audit procedures noted bank reconciliations for 3 out of twelve months were not completed by the end of the next month as required by school policy. These reconciliations were 17 to 57 days late.

Criteria or specific requirement: Chapter 8, Section II, of the Red Book states, “bank statements shall be reconciled as soon as received, preferably by a person other than the person who receives and disburses funds.” In addition, School Board policy requires bank statements to be reconciled as soon as received, but no later than the end of the following month.

Effect: Not performing reconciliations timely could result in possible financial losses occurring from fraudulent transactions not being detected and reported to the financial institution in a timely manner.

Cause: Due to vacancies in the bookkeeping position which were not immediately filled, there was a delay in reconciling the bank statements.

CENTRAL ELEMENTARY SCHOOL (continued)

2021-003, Timeliness of Bank Reconciliations (continued)

Recommendation: We recommend that monthly bank reconciliations be completed by the end of the following month in accordance with the School District's policy. When there is a vacancy in the bookkeeping position, a back-up person should complete the reconciliations.

Views of Responsible Officials: Central Elementary School agrees with the finding and procedures will be put in place to ensure that bank reconciliations are done by the end of the following month.

2021-004, Improper Completion of Monies Collected Log

Condition: During our audit procedures, we noted (14) instances throughout the year where the monies collected log was not signed by the person turning in the receipts and (4) instances where the monies collected log was not initialed by the bookkeeper or other designated person.

Criteria or specific requirement: School Board policy requires a log of receipts. The log should be signed by the person delivering the receipt and initialed by the bookkeeper or other designated person to indicate receipt of the money.

Effect: When the log is not completed properly, monitoring the safeguarding of money is limited.

Cause: Due to vacancies in the bookkeeping position, the monies collected log was not always completed properly on a daily basis.

Recommendation: We recommend that the monies collected log be completed in accordance with school board policy. When there is a vacancy in the bookkeeping position, a back-up person should monitor the proper completion of the monies collected log.

Views of Responsible Officials: Central Elementary School agrees with the finding and procedures will be put in place to ensure that the monies collected log is completed properly.

NORTH ELEMENTARY SCHOOL

2021-005, Timeliness of Deposits to Bank

Condition: Of the individual receipts tested, we noted (2) deposits throughout the year that included (5) receipts that were not deposited within five business days of the day collected by the teacher or sponsor. These receipts were deposited between one and nine days late. Additionally, we noted (1) instance where the deposit date was missing from the monies collected log and (1) instance where the monies collected log was not signed by the person delivering the receipt to the office.

Criteria or specific requirement: Section III 1 (c) of the Red Book requires that all money collected must be deposited as frequently as feasible, and no later than five working days after receipt. School Board policy requires that deposits be made sooner than five working days after receipt when collections on hand exceed \$200 or more for elementary schools, \$500 or more for middle schools and \$1,000 or more for the high school.

Effect: When receipts are not deposited timely and the log is not completed properly, money collected is not adequately safeguarded.

NORTH ELEMENTARY SCHOOL (continued)

2021-005, Timeliness of Deposits to Bank (continued)

Cause: Due to the bookkeeper's oversight, deposits were not made in a timely manner and the person completing the form failed to complete the monies collected log properly.

Recommendation: We recommend that deposits be made within five business days of the day collected or more frequently depending on the amount of receipts that have been collected and is on hand in accordance with School Board policy, and the log should be completed properly.

Views of Responsible Officials: We agree with the finding. The bookkeeper no longer works at North Elementary School and has not responded to the Principal's attempts to contact her. A new bookkeeper has been hired since, and is trained on appropriate bookkeeping procedures to include ensuring that each Monies Collected log is examined for full completion.

2021-006, Depositing of Receipts

Condition: We noted (1) receipt logged into the monies collected log totaling \$20 that was never deposited into the bank account or recorded in the account activity report.

Criteria or specific requirement: Section III 1.4 of the Red Book requires that all money collected must be deposited intact to a depository and that all deposits must equal the total amount of money taken in and recorded on receipts for the period covered by the deposit.

Effect: Cash collected was not safeguarded and deposited into the school's bank account.

Cause: The mistake with cash collections and deposits initially appears to have occurred due to the bookkeeper's error, followed by bookkeeper's lack of oversight with correcting the issue. It appears as the bookkeeper recognized that there was an issue with the deposit for the monies collected on form #522450 and two journal entries were made in an attempt to correct the problem, even though these entries did not correct the log of monies collected that states that a bank deposit was made in the amount of \$48.28 for the monies logged in the amount of \$68.28.

Recommendation: All money collected by the school must be deposited into the school's internal accounts. We recommend comparing the money recorded on the monies collected log to the bank deposits on a weekly basis to ensure that all money is deposited.

Views of Responsible Officials: We agree with the finding. The bookkeeper has since resigned. A new bookkeeper has been hired, and is trained on appropriate bookkeeping procedures.

2021-007 Proper Completion of Report of Monies Collected

Condition: During our audit procedures, we noted (2) instances where receipt numbers were not listed or attached for amounts greater than \$10.

Criteria or specific requirement: According to School Board policy, "A receipt shall be issued for all monies collected by teachers/sponsors. The only exceptions to this procedure are for petty amounts \$10 and under...monies collected forms shall be completed indicated the total amount collected, the receipt or ticket numbers issued, or explanation of logged receipts."

Effect: When individual receipts are not issued, no documentation exists to support the source of funds.

NORTH ELEMENTARY SCHOOL (continued)

2021-007 Proper Completion of Report of Monies Collected (continued)

Cause: This appears to have happened because the person collecting money failed to turn in the copy of the receipt to the bookkeeper, and the bookkeeper did not follow up with a reminder, causing the reporting of the monies collected to be in violation of the Board Policy.

Recommendation: We recommend that the school follow School Board policy in issuing receipts and completing monies collected forms.

Views of Responsible Officials: We agree with the finding. To avoid this oversight, we have adopted practices where the person collecting money writes the receipt number on the respective Monies Collected Forms, in addition to turning in a copy of a receipt that is written.

2021-008 Timeliness of Bank Reconciliations

Condition: We noted that bank reconciliations for (3) months were not completed timely. These reconciliations were 1 to 13 days late.

Criteria or specific requirement: School Board policy requires bank statements to be reconciled and reviewed by the principal as soon as received, but no later than the end of the following month.

Effect: Not performing reconciliations timely could result in possible financial losses occurring from fraudulent transactions not being detected and reported to the financial institution in a timely manner.

Cause: The issue appears to have happened due to a combination of factors.

1. July

The issue happened due to the bank reconciliation being prepared very close to the due date. The reconciliation was prepared and signed by the bookkeeper on August 31, but not checked by the assistant principal in a timely manner. It was checked on September 1, 2020, and signed off by the principal, causing it to be one day late.

2. August

The issue may have happened due to the bookkeeper being out on a few days preceding the August reconciliation due date. The bookkeeper has since resigned and is no longer available to ask for details.

3. September

The issue may have happened due to the bookkeeper being out on a few days preceding the September reconciliation due date. The bookkeeper did not respond to the reminder sent from the district office. The bookkeeper has since resigned and is no longer available to ask for details.

Recommendation: We recommend that monthly bank reconciliations be prepared no later than the time required by School Board policy. The preparer and reviewer should sign and date the reconciliations as evidence of timely completion and review.

Views of Responsible Officials: We agree with the findings. We have revised our internal system of gathering records for reconciliations, and we have also resorted to contacting the bank to receive an earlier statement to be able to work on reconciliations in a timely manner.

SOUTH ELEMENTARY SCHOOL

2021-009 Proper Completion of Report of Monies Collected

Condition: During our audit procedures, we noted (1) instance where receipt numbers were not listed or attached for amounts greater than \$10, and (1) instance where there was no log of student names for amounts under \$10.

Criteria or specific requirement: According to School Board policy, “A receipt shall be issued for all monies collected by teachers/sponsors. The only exceptions to this procedure are for petty amounts \$10 and under...monies collected forms shall be completed indicated the total amount collected, the receipt or ticket numbers issued, or explanation of logged receipts.”

Effect: When individual receipts are not issued or a log of student names is not maintained, no documentation exists to support the source of funds.

Cause: Due to lack of training and oversight, the reports of monies collected were not always properly completed.

Recommendation: We recommend that the school follow School Board policy in issuing receipts and completing monies collected forms.

Views of Responsible Officials: Procedures have been put in place to train and monitor completion of reports of monies collected to ensure that they will be properly completed in the future.

STATUS OF PRIOR YEAR MANAGEMENT LETTER COMMENTS:

OSCEOLA MIDDLE SCHOOL

The prior year comment related the authorization for disbursements appears to have been corrected.

CENTRAL ELEMENTARY SCHOOL

The prior year comments related to payments made in excess of available funds, activity reports, and timeliness of bank reconciliations were repeated again this year. The prior year comments for checks signed by only one authorized signer and support for disbursements appear to have been corrected.

EVERGLADES ELEMENTARY SCHOOL

The prior year comments related to payments made in excess of available funds, and improper completion of individual receipts appear to have been corrected.

NORTH ELEMENTARY SCHOOL

The prior year significant deficiency regarding a combination of controls over depositing, receipting and bank reconciliations reported in our Communication of Significant Deficiency was partially cleared and reported this year as management letter comments. The prior year comment related to the supporting documentation for disbursements appears to have been corrected.

SOUTH ELEMENTARY SCHOOL

The prior year comments related to activity reports and fundraisers, checks signed by only one authorized signer and disbursements supporting documentation appear to have been corrected.

This report is intended solely for the information and use of the School Board, management, others within the entity, and the Auditor General of the State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

The District's response to the findings identified in our audit is described above. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we express no opinion on it.

We will review the status of these comments during our next audit engagement. We have already discussed the comments and suggestions with various School Board personnel. We will be pleased to discuss them in further detail at your convenience, or to assist you in implementing the recommendations.

Wicks, Brown, Williams Co.

Wicks, Brown, Williams & Co., CPA's LLP
Certified Public Accountants
Okeechobee, Florida

January 6, 2022